

City of Springfield  
Regular Meeting

MINUTES OF THE REGULAR MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, APRIL 17, 2006

The City of Springfield Council met in regular session in the Council Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, April 17, 2006 at 7:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Fitch, Ralston, Lundberg, Woodrow, and Pishioneri. Also present were Interim City Manager Cynthia Pappas, City Attorney Joe Leahy, Finance Director Bob Duey, City Recorder Amy Sowa and members of the staff.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Leiken.

SPRINGFIELD UPBEAT

CONSENT CALENDAR

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE THE CONSENT CALENDAR WITH ITEM NUMBER 5.D. PULLED. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

1. Claims

- a. Approve the March 2006, Disbursements for Approval.

2. Minutes

- a. April 3, 2006 – Work Session
- b. April 3, 2006 – Regular Meeting

3. Resolutions

- a. RESOLUTION NO. 06-16 – A RESOLUTION ADOPTING CHANGES TO THE ENGINEERING DESIGN STANDARDS AND PROCEDURES FOR DEVELOPMENT OF PUBLIC INFRASTRUCTURE WITHIN THE CITY OF SPRINGFIELD.

4. Ordinances

5. Other Routine Matters

- a. Approval of Liquor License Endorsement for Ninkasi Brewing Company, LLC, Formerly Sofia's Restaurant and Bavarian Brewery, Located at 980 Kruse Way, Springfield, OR.

- b. Authorize the Interim City Manager to Enter into the Agreement with PeaceHealth and Willamalane Park and Recreation District for Access and Maintenance of Public Landscape Areas, Public Access Ways and Paths and Open Public Storm Drainage Systems.
- c. Approval to Permit Construction Activities Outside of the Hours of 7:00am to 6:00pm for Construction of Fifteen (15) Water Main Crossings by Springfield Utility Board (SUB) Crews and Contractors, on Main Street Between South 59<sup>th</sup> Street and 68<sup>th</sup> Street, Between April 18, 2006 and June 16, 2006, Subject to Conditions Specified in the Agenda Item Summary.

#### ITEMS PULLED FROM THE CONSENT CALENDAR

- d. Ratification of ~~Three~~Two-Year Contract with the International Fire Fighters Association (IAFF).

Human Resources Director Bill Spiry presented the staff report on this item. The bargaining unit ratified the contract on Tuesday, April 11<sup>th</sup>. The provisions are retroactive to July 1, 2005. In summary, the contract includes the following parameters.

#### **Term**

- Two years

#### **Wages**

- Effective July 1, 2005 the salary schedule in effect on June 30, 2005 will be increased by 3% for all ranks.
- Effective July 1, 2006 the salary schedule in effect on July 30, 2006 will be increased by 2% for all ranks.

Employees who function as Field Training Evaluation Program (FTEP) proctors will receive one percent (1.0%) of monthly top step firefighter pay for each shift worked as a proctor.

Councilor Ralston asked if it was a two or three year agreement.

Mr. Spiry said it was a two year contract.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE ITEM 5.D WITH A MODIFICATION SHOWING IT WAS A TWO YEAR CONTRACT. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

#### PUBLIC HEARINGS

1. Public Hearing for the Lane Transit District (LTD) Pioneer Parkway EmX Design.

Transportation Manager Nick Arnis presented the staff report on this item. LTD is conducting an Environmental Assessment (EA) for the Pioneer Parkway corridor. LTD is requesting the Council to approve the Locally Preferred Design (LPD) that was recently approved by the EmX Steering Committee. The purpose of the LPD is to constrain EmX alternatives for the formal draft and final EA process.

The purpose of the public hearing is to gather public comments and information in order for the Council to determine the LPD alternatives they want to recommend to LTD for further study in the EA process. The purpose of recommending a LPD for the EA is to narrow down the number of alternatives included in the EA process. It is during the draft and final EA document process that Council will make formal and legal recommendations to LTD and Federal Transit Authority (FTA) about the EmX project for the Pioneer Parkway corridor. On April 4, 2006 the EmX Steering Committee recommended a LPD for the Pioneer Parkway corridor. Questions concerning the Gateway Street and Harlow Road segments of the Steering Committee LPD recommendation remain. These concerns relate to the uncertainty and influence a future design for the Gateway/Beltline intersection will have on traffic operations along the entire Gateway Street segment from International Way to Harlow Road and how EmX will integrate into the intersection project, and the unresolved issues the EmX alternatives have on Harlow Road traffic operations, driveways, and land uses. This is further explained in the Council Briefing Memorandum.

Mr. Arnis discussed some of the issues still remaining along Harlow Road and Gateway Street that were being worked through by LTD and City staff. Staff proposed to continue working on driveway accesses to residences and businesses. He discussed other major concerns staff had with Gateway and Harlow, which related to traffic flow once Springfield's major projects were finalized. Staff would prefer to take a longer look at those two streets. Approving a Locally Preferred Design was a pre-step in the EA process. LTD was hoping to narrow down the alternatives before moving forward with the EA. LTD would be putting together a draft EA allowing Council and the public another opportunity to comment on this issue. He noted the deadline for the application, which was August 15, 2006. He said LTD was a strong candidate for that funding with this application. He said there was still a lot of work to do, but LTD staff had been diligent at looking into the alternatives and trying to resolve issues.

Mayor Leiken opened the public hearing.

1. Stephano Viggiano, LTD, P.O. Box 7070, Eugene, OR Mr. Viggiano said Council had discussed this topic at several other work sessions. He noted that Council's decision on a Locally Preferred Design (LPD) would not be a final design. A final design would not be selected until the EA was completed and released. He referred to the recommendation by the EmX Steering Committee and highlighted a couple of aspects of that recommendation. He discussed the issues along Pioneer Parkway which were addressed in the recommendation. He said the committee had the bulk of their discussion regarding Gateway and Harlow Roads, which had the most issues. He discussed the City of Springfield study on the Gateway and Beltline intersection, which had an influence area of as far north as International Way and as far south as Postal Way. That study needed to be completed before any final decisions could be made on transit service in that area. Final decisions on that segment of the corridor would not be able to be made this summer. He discussed the issues of access and traffic flow issues on the rest of Gateway and Harlow Road. The recommendation by the Steering Committee reflected those concerns about access restrictions. There was no commitment that Council would be making by approving the Steering Committee's recommendation that had any access restrictions anywhere along the corridor. LTD was very sensitive to that issue. Traffic engineering issues needed to be resolved. He discussed the Gateway Mall and concerns by the owners, General Growth, about relocating the station. The Director of the Northwest Region of General Growth met with LTD staff. Following that meeting, General Growth asked for additional information about the proposed relocation, including photo simulations and a detailed site plan. LTD was encouraged to hear that and to have the opportunity to

work with General Growth. He expressed appreciation for Springfield staff on this project. He said they had a lot of constructive ideas. More information was needed before a technical opinion could be made by Springfield staff. Council's action tonight would allow LTD to keep the project on schedule for a possible 2009 opening. Mr. Viggiano noted that LTD General Manager Mark Pangborn, and LTD Board Members Gerry Gaydos, Debbie Davis, and Mike Eister were available in the audience to answer Council's questions.

2. Dan Egan, 850 North 6<sup>th</sup> Street, Springfield, OR. Mr. Egan is the Director of the Springfield Chamber and member of the EmX Steering Committee. He said his role tonight was to report findings from the Government Issues Committee. He said LTD staff and board members met with the committee several times on this issue. He said the Government Issues Committee felt the Council should look favorably on the EmX System as it went from downtown Springfield out to Gateway. He said it was and would continue to be an important corridor and the connection between the employment base was extremely advantageous. The committee also felt that all left hand turn movements, wherever possible and appropriate, should be preserved along this route. He said that would be a big issue from the top of Gateway Street to Harlow and from Harlow to the roundabout. Businesses in that area had called the Chamber to let them know of their concern of having the left hand turn taken away. He said he understood that was a decision Council would eventually make and he hoped that access would remain. He said the EmX system was supported and would make a big difference in Springfield.
3. Dave Jewett, 1011 Harlow Road, Springfield, OR. Mr. Jewett said that although he did not live in Springfield, he had volunteered and had a business in Springfield for twenty-eight years. He said his business was on Harlow Road, in the middle of this corridor. He said he was a member of the EmX Steering Committee. He said the committee had a thorough discussion, especially with respect to the portion of the route from Gateway and Harlow. They had discussed concerns regarding access, property acquisition, traffic flow, related transportation projects and other issues regarding this segment. He said the Steering Committee's recommendation was sensitive to all of those concerns and left the door open to identify particular situations in which EmX lanes could be installed that addressed those concerns, but didn't foreclose any options. He said this was an important transportation issue for Gateway. He said his partners had been somewhat concerned about the transportation issues in Gateway when they first moved their office from downtown Springfield and this project could help improve the traffic flow in that area in the future. He encouraged approval of the Steering Committee's recommendation for the LPD.
4. Chuck Lanzarotta, The Pointe Condominiums, 650 Harlow Road #243, Springfield, OR Mr. Lanzarotta said he had heard a median was going to be put in that would not allow residents from The Pointe to turn into their property. He said he was concerned about that. He noted the difficulties of leaving the complex if a median was placed in that area. He said the bus route was important to Eugene and Springfield, but he wanted to relay his concerns regarding access.
5. Kenneth Raymen, 2150 Laura Street #25, Springfield, OR Mr. Raymen provided his written testimony to the City Recorder. He said Springfield did not need construction to have a bus rapid transit system along the proposed route. He said all bus commuters could be serviced with a much simpler and more efficient system. He said all that was needed were three large buses and three regular size busses that could alternate leaving the Springfield Bus Station at ten minute intervals. The large busses would display express signs and would proceed up

Pioneer Parkway, Martin Luther King Jr. Parkway and along International Way as far as Gateway Street, stopping only at Sacred Heart and businesses along that route. They would return to the bus station using the same route. The regular size buses would have local signs displayed and would have designated stops along Pioneer Parkway East, at Sacred Heart, on International Way, Gateway Street, Harlow Road and Pioneer Parkway West on the way back to the Bus Station. From 11:00 a.m. to 2:00 p.m., shuttle buses could run back and forth from Sacred Heart, along International Way and then to Gateway Mall to service the lunchtime crowd employed in the businesses along that route. He pointed out his plan on a map that was on display.

6. Clark Winston Cox, Jr., 1085 Patterson Street, Apt. 9, Eugene, OR Mr. Cox said he was and had been a volunteer at PeaceHealth for about twenty-four years. He explained how he got started in volunteering. He said he worked with professional library services, which would be moved to Sacred Heart Medical Center, RiverBend. He said he worked a little each day and would need to travel back and forth from the RiverBend site to his home in Eugene. He said he was unable to drive a car due to a life long visual defect. He said he would appreciate it if Council could move the process along so the application could be turned in this year rather than next allowing the EmX System to coincide with the opening of the hospital. He acknowledged the problems along Gateway and Harlow and hoped those could be resolved speedily.
7. Terry Beyer, State Representative in Springfield, Residing at 951 S Street, Springfield, OR Representative Beyer spoke in support of the EmX rapid transit line from downtown to the Gateway area. She said this project would benefit residents and businesses alike. She said the House Transportation Committee, of which she was a member, had an opportunity during session to review the EmX project. The committee expressed interest in the concept as an alternative to the more expensive light rail or other types of transportation for communities of our size in Oregon. She said this project was gaining a lot of interest across the country as a pilot. She said the LTD recommendation made sense and should be supported. With continued development in the Gateway area, traffic congestion would become a bigger problem and making this project as user friendly as possible was a solid way to begin addressing this problem.
8. Fred Simmons, 312 South 52<sup>nd</sup> Place, Springfield, OR Mr. Simmons said the EmX project was a positive plan with the caveat of an additional stop for the Justice Center once it was built. There could be other route relocations that would be impacting a substantial number of people in the Mill Street area. He said it would also be wise to preserve the left hand turn on Harlow and Gateway. He said if a bus was going to be operating six times an hour, it's actual occupancy of that transit corridor was a very short period of time and to deny property owners access to those left hand turns during the times the buses were not there did not make sense. He said it could be engineered in a way to allow vehicles to make the left hand turns with safety and not interfere with travel time.
9. Kathleen Marxen, The Pointe Condominiums, 650 Harlow Road #143, Springfield, OR Ms. Marxen said she had emailed Council earlier as well as sending a copy to LTD. She said she was also very concerned about maintaining current access in and out of their condominium complex as well as the other businesses and apartments on Harlow Road. She said it was important to maintain east/west access to Springfield and Eugene.

10. Ralph Smeed, 176 West C Street, Springfield, OR Mr. Smeed said he owned property on both sides of Pioneer Parkway East between Main Street and North A and also on the north side of Main Street between Pioneer Parkway East and Pioneer Parkway West. He said he was concerned about a couple of items. He said he was for the transit item, but said it would affect both pieces of this property. He said he understood the EmX lane would go along the west side of Pioneer Parkway East, which would impact the entry to his property in that area. He said he also heard the parking would be removed on the east side of Pioneer Parkway East which would affect his property in that area. He said it would impact that property negatively by taking away the area for loading and unloading, even if other parking was provided. He said he had also heard the parking would be removed on the south side of Main Street which would cut the parking down to nearly nothing and would negatively impact his building and the renter of the building. He said he hoped they would not remove that parking. He said he appreciated Council taking his concerns into consideration.
11. Alethalou Harmon, 145 Pioneer Parkway East, Springfield, OR Ms. Harmon said she was concerned about the parking issue on Pioneer Parkway East. She said she had talked with staff, but she wanted to bring her concerns to Council. Taking parking away in front of her store felt like another nail in the coffin. She said she had fought to stay in business with the many codes in place to make Springfield downtown a vibrant community. She said she felt she was an asset to downtown Springfield. She asked Council to be sensitive to the impact of losing the parking spaces, as well as her loading zones, and that she would have traffic going past right in front of her door. She said she hoped the speed limit was decreased along Pioneer Parkway East to make it safer. She said it was very hazardous in that area. She hoped a solution could be found so cars, buses and pedestrians could co-exist, as well as parking.
12. Ran Whitehead, CEO of Oregon Medical Lab (OML), 123 International Way, Springfield, OR Mr. Whitehead said OML supported the EmX Steering Committee's recommendation. He said when OML moved to International Way in Springfield, their LTD riders lost the ability to commute via LTD due to the limited amount of service at the new location. He said the EmX would make it possible for those individuals to once again use this transportation to get to work. A recent survey of the RiverBend annex building which housed OML and other PeaceHealth employees totaling about 800 occupants, showed that currently only seven percent who completed the survey rode the bus. Sixty-seven percent indicated they would ride the bus if there was one available at more convenient times. He said the shifts at OML began and ended at different times throughout the day, so it was important that the service be regular and consistent. In addition, OML would be staffing other laboratories in the Eugene/Springfield area and OML employees would need the ability to quickly move from one lab to another and EmX would provide that service. OML had provided employees with an annual bus pass for a number of years and the lack of efficient service to the Gateway/International Way area had impacted the morale of staff in recent months. He said OML employees had made their desire for accessible bus transportation known. He said OML currently had 300 employees at the International Way site, and the number would increase by fifteen to twenty percent. The additional staff by OML, Symantec and Royal Caribbean would create more congestion than was already experienced in that area. He said he used to ride the LTD bus prior to the move to Springfield and it was a good experience. He encouraged Council to help minimize congestion, enhance employee morale and get people to work on time by supporting and approving the EmX Steering Committee's recommendation.

13. Don Lutes, 778 Crest Lane, Springfield, OR Mr. Lutes said he was supportive of the EmX Project in general, but noted there were concerns. He said his prime concern was the use of the greenway space that was part of Pioneer Parkway. He said he had been part of the team that instigated the Pioneer Parkway and it was an integral part as the entrance to Springfield. He said he took personally encroachment on that in terms of LTD. He said if a guideway system was to be used as part of the greenspace, it should be just that and not also have buses on Pioneer Parkway East. Either that, or the greenway should be left alone and keep the buses on the street. He said he was for the project, but there were some problems in the detail of transitioning between Pioneer Parkway East, Pioneer Parkway West and F Street.
14. Kent White, Vice President of Northwest Community Credit Union, 3660 Gateway Street, Springfield, OR Mr. White spoke in favor of the project. He said this had been an area of tremendous growth and would continue to be so. He said their concern was regarding the execution of the plan. He said it was important that with the goal of moving people more swiftly from one place to another, that we avoid as many trade-offs as possible between one transportation mode and another. He referred to the issues regarding left hand turns and property acquisitions. He encouraged a close look at the tactical issue as the project was executed, keeping the goal of moving people quickly from here to there in all transportation modes.
15. Bill Bunting, Liberty Bank, 355 Goodpasture Island Road, Eugene, OR Mr. Bunting said Liberty Branch operated a 3000 square foot branch at the corner of Harlow and Gateway. In June that would be expanded by 2200 square feet. He said although the bank appreciated and was enthused about the EmX Project, they had concerns regarding the ability of left turn traffic into the mall. He said they were concerned about the ability of customers and clients to get into their facility. He said they understood there were options still open and that the preferred option included limited left turn lane into the center, but they would be working with ODOT and others to get their concerns on the table.
16. Phil Farrington, Director of Land Use Planning and Development, PeaceHealth, 123 International Way, Springfield, OR Mr. Farrington said PeaceHealth had been collaborating with City staff and LTD about the plans at RiverBend and at the RiverBend Annex. He said they urged Council to take whatever action they could to advance this project because it was a good thing for the community at large. He said the traffic analysis had not been relying on the EmX system being in place, but the whole community would benefit from the system, not only the employees that work in the area, but the community as a whole for commute trips and internal trips in the area. He noted the number of people that were currently using the transit system at the RiverBend Annex. He discussed some of the difficulties currently with construction, relocation of stations and bus schedules. He said PeaceHealth was working with LTD regarding ridership times and schedules. He said once the EmX was online, there would be a big increase in ridership.
17. Christine Larson, 839 Royaldel Lane, Springfield, OR Ms. Larson said she lived about eight blocks from the new EmX route and worked about ten feet from the new EmX route at Pioneer Parkway and Hayden Bridge Way. She said she and her husband owned Timber Valley Medical Clinic which had been at its current location for almost twenty-seven years. She noted the increase in traffic in that area and said the roundabout would be very helpful. She said the EmX would be even more helpful for the many elderly people who have to walk to Safeway along Pioneer Parkway and Harlow Road. She said it was very difficult with no bus route on Pioneer Parkway and that was the closest grocery store. She said as a medical

clinic they cared about the people that lived in that area. She noted the need for transit for mothers with small children and teenagers going to the mall. She said the biggest deterrent to the complete maximum use of this quadrant of the Eugene/Springfield area was congestion and developing the EmX would do a lot for this area to reach its full potential.

Mayor Leiken closed the public hearing. He thanked all those that testified.

Councilor Ralston asked staff to provide details in the near future about the parking situation and access to driveways.

Councilor Fitch said she had been on the Steering Committee since the beginning. She thanked all those that came out to speak and noted that the concerns relayed tonight were the same as those relayed to the Steering Committee. The EA would look at the concerns the Steering Committee had heard. The EA would look at all options and determine the best option for each section. As it developed it would change slightly over time. It was important to go forward now to allow the area to develop and expand, while still appreciating the many people in vehicles. She appreciated the City and LTD staffs working together. They brought forth great ideas and responded well to each other and would continue to do so. She said the study for the Gateway area was still evolving.

Mayor Leiken clarified that this was not the final design, but would allow the project to move to the next stage. If there was something that needed to be changed along the way, it could be changed. He said this was the first big step, but nothing was set in stone.

Councilor Ballew said she was overall supportive of the EmX project, but she felt there were too many problems along Gateway and Harlow Road. She said she was supportive of running the EmX to the point where it reaches Gateway at International Way, but would be more supportive of small feeder busses that could continually make the loop to service the area. She was not pleased with putting the buses in the greenway area on Pioneer Parkway East. She had concerns about putting buses so close to pedestrians and bicyclists.

Councilor Lundberg said the problem areas were in her ward and she was particularly concerned about access and other issues. She said she appreciated the fact that mass transit was needed, but it was still an untested system in terms of getting from downtown Eugene to downtown Springfield. She said at one point she suggested going up Pioneer Parkway and she would be supportive of that route, but there were many issues. She said although tonight's decision would not set anything in stone, it would still be supporting the concept. She didn't like the idea of the EmX buses going down Gateway or Harlow Road, but would be supportive of using feeder buses to get people around the large central business complexes in the Campus Industrial. She said the first discussions regarding EmX were to go to Coburg Road, which made a lot of sense, and she would like to see that developed. Transporting people back to downtown Springfield and then over to Eugene did not make sense. She would rather slow down and wait a year to make it a better system. She said she had been through a long EA process with Beltline and I-5. She would prefer to wait and didn't support moving forward at this time with this route tentatively considered.

Councilor Pishioneri said he concurred with the EmX Steering Committee recommendation and liked the route. He appreciated the testimony from the public. He agreed that left turns were very important for the vitality of the area for access for both residents and businesses. He said he supported moving this forward, but did not want the City to be excluded from the rest of the



process in case there was cause to pull it if needed. He said it was a good project for the City and the community.

Councilor Woodrow said he appreciated everyone that came to speak. He said he had personally put out questions regarding parking along Pioneer Parkway and concerns along Gateway and Harlow Road. He said it was probably a good idea to have the local buses go from the Gateway/Beltline area back down to Harlow and Pioneer Parkway, but he said he was not an engineer. He said the EmX system was important and needed to go forward. He said he understood Councilor Lundberg's hesitation, but noted that within five years the Gateway/Beltline area would be so much different than it was now, that we would not be able to put in a new bus system.

Mayor Leiken asked Mr. Arnis how the design of the EmX would work with the redesign of the Gateway/Beltline intersection.

Mr. Arnis said they had talked with LTD staff about that issue from the beginning. That area would be held out during the EA. He noted the EA done previously on the Beltline/I-5 Interchange that called for an alternative for the Gateway/Beltline Interchange. LTD said they would coordinate with the City on that final design and LTD was contributing a small amount of money to that project and had a consultant working on that process. With EmX on Gateway Street there were concerns about what would happen south of the interchange at Postal Way and the number of traffic signals along Gateway. Staff's opinion was to take a Transportation System Management (TSM) approach along Gateway Street or at least wait until the Gateway/Beltline intersection was figured out before going forward as it would affect the entire corridor. Staff was taking a look at that. He said there were a lot of issues in the area and all of the answers were not yet known.

Mayor Leiken asked when the Gateway/Beltline intersection was to be completed.

Mr. Arnis said it was to begin construction in 2009. He said more importantly was knowing how long the Beltline/I-5 project was going to take. He discussed the importance of timing of two such large projects.

Mayor Leiken asked LTD staff about the issues on Pioneer Parkway, MLK Jr. Parkway and International Way. He asked if it was feasible, from a funding mechanism, to look at dividing this into two phases, waiting to build the corridor to PeaceHealth after the design of the other intersections. He asked if it all needed to be done at once.

Mr. Viggiano said to stay on schedule it would all need to be done at once. Two phases had not been considered in the technical studies to this point.

Mayor Leiken asked if the Steering Committee had looked at that alternative.

Councilor Fitch said the committee had always looked at it as a full loop because part of the idea was to service both Gateway and Harlow Road because they were not adequately serviced at this time.

Mr. Viggiano said LTD's preference would be to have a shuttle bus completing the loop, providing the connections within the greater Gateway area rather than having separate service on Gateway and Harlow. It would also be much less expensive. He explained why.

Mayor Leiken said early discussions included having a corridor with small feeder buses going through the neighborhoods. He asked if that was still part of the plan.

Mr. Viggiano said that was still part of plan. He explained.

Mayor Leiken said they needed to sell that service more to the public. He said he still gets comments from senior citizens concerned about having bus access.

Councilor Fitch said keeping Gateway and Harlow Road in the EA would be critical in working through options and solutions. Taking it off the EA would remove those options. She had a concern that they were not looking at the bigger picture. She discussed the suggestion of going to more small buses and that it would mean additional staff, costing more.

Councilor Ballew said LTD carried less than five percent of the traffic now and even doubled would only carry ten percent. She said they needed to keep in mind that the other ninety to ninety-five percent were more important when trying to resolve traffic issues.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR FITCH TO ENDORSE THE LOCAL PREFERRED DESIGN FOR THE PIONEER PARKWAY CORRIDOR AS RECOMMENDED BY THE EmX STEERING COMMITTEE, WHICH CALLS FOR MULTIPLE ALTERNATIVES TO BE EVALUATED. PENDING COMPLETION OF THE DESIGN OF THE BELTLINE/GATEWAY INTERSECTION, THE COUNCIL BELIEVES THE TRANSPORTATION SYSTEM MANAGEMENT ALTERNATIVE IS THE APPROPRIATE DESIGN FOR GATEWAY STREET AND HARLOW ROAD. THE COUNCIL RECOMMENDS THAT THE FINAL DECISION FOR THOSE STREETS SHOULD NOT BE DETERMINED UNTIL THE EmX DESIGN PROCESS CAN CONSIDER THE FINAL DESIGN FOR THE BELTLINE/GATEWAY INTERSECTION. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 1 AGAINST (LUNDBERG).**

COUNCILOR BALLEW OFFERED AN AMENDMENT TO THE MOTION THAT ADDRESSED LEAVING THE LEFT TURN LANES OPEN ON HARLOW.

Councilor Woodrow noted that the Transportation System Management Alternative allowed left turns on both sides.

COUNCILOR BALLEW WITHDREW HER AMENDMENT.

Councilor Ralston reaffirmed that Council was not deciding on a final design. He said there was still a lot of debate that would occur.

2. Fiscal Year 2006-2007 Community Development Block Grant and HOME Investment Partnership Program Recommended Funding Allocations.

Housing Manager Kevin Ko presented the staff report on this item. The Springfield Community Development Advisory Committee (CDAC) has reviewed proposals and prepared CDBG and HOME funding recommendations for the FY2006-2007 program year. The recommendations are being forwarded to the City Council for consideration and approval. The CDAC's funding recommendations are consistent with Springfield's local funding priorities and identified

community development needs as documented in the Eugene-Springfield Consolidated Plan. The CDAC is also recommending approval of a one-year extension of the existing CDBG funding set-aside for downtown redevelopment, and approval of recommended changes to its By-laws.

The City of Springfield is allocating \$682,221 in Community Development Block Grant (CDBG) funds and \$646,802 in HOME Investment Partnership (HOME) funds to develop viable urban communities. The amount available consists of a FY06-07 CDBG grant of \$629,375 plus \$52,846 in unspent CDBG funds from FY2004, and a FY06-07 HOME grant of \$438,642 plus approximately \$200,000 HOME program income and reprogrammed funds from previous years. Also included in HOME is \$8,160 the City will receive from HUD under the American Dream Downpayment Incentive (ADDI). Selected projects and services will provide decent, safe and affordable housing for persons of low income; a suitable living environment, and economic opportunities for persons of low and moderate income. At a public hearing on January 31, 2006, the CDAC recommended set-asides totaling \$380,281 for CDBG and \$213,956 for HOME for the following activities: City administered housing programs, grant administration and planning, social service programs administered by the Intergovernmental Human Services Commission and operating assistance for area Community Housing Development Organizations (CHDO). The City Council also authorized a reservation of 24% of the annual CDBG allocation to be used for activities that reduce or eliminate blighted conditions in the Downtown Revitalization Area. This amount is \$151,050 for FY06-07.

Requests for Proposals were issued on February 3, 2006, for \$98,044 of general CDBG funds, \$432,846 of HOME funds and \$151,050 of Downtown Revitalization funds. The deadline for completed proposals was March 17, 2006. The City received eight requests for funding totaling \$685,158. The Springfield CDAC held a Public Hearing on April 6, 2006 to hear testimony, review proposals and develop funding recommendations. The CDAC recommends funding of eight proposals, fully expending the available funds. The recommendation includes increasing the FY2006 HOME allocation to the Royal Building by \$52,846 over what was requested, and reducing the FY2004 CDBG allocation to the Royal Building by an equal amount. This exchange of funds will not adversely affect the Royal Building project, and it allows the CDAC to recommend funding all but one of the proposals at the requested levels. If all of the projects were funded at the amounts requested, there would be a shortfall of \$3,218. Womenspace voluntarily reduced its request by that amount to balance all funds.

The CDAC is recommending that Council approve a 1-year extension to the existing three-year CDBG set-aside for downtown redevelopment projects, citing the new projects and the current momentum of change that is happening downtown as the reasons to continue. If the extension is not approved, the downtown set-aside will expire this year. Extending the CDBG set-aside for downtown will also extend the moratorium on CDBG assisted street improvement projects for one year (excepting the current I Street project). The downtown set-aside is 24% of the CDBG allocation.

The CDAC is recommending that Council approve proposed changes to the CDAC By-laws. The most significant change is to the membership requirements, and will allow residents of Springfield's urban growth boundary to serve on the CDAC. Other changes include establishing consistent term expiration dates and some "housekeeping" changes.

Mr. Ko said the CDAC meeting was a good meeting for both applicants and the committee. He discussed the proposed motions before Council this evening.

Mayor Leiken asked for an update on where the CDBG funding mechanism stood with the Congress back in Washington DC.

Mr. Ko said he received a notice on about April 8 from the Community Development Association that the Senate had approved increasing the CDBG funds by \$1.3Billion, which would bring it back up to the 2004 level of funding. It still had to pass Congress, but had a lot of good bipartisan support. Even if it was not fully funded, it would not go down.

Mayor Leiken asked if Mr. Ko recommended the Mayor and Council continue to write or call Congressman DeFazio about this funding.

Mr. Ko said that would be beneficial if the Council or Mayor's office would like to send a letter.

Mayor Leiken opened the public hearing.

1. Dan Egan, 850 North 6<sup>th</sup> Street, Springfield OR Mr. Egan said he had been on the CDAC for a number of years. He said it was good to come before Council to report on how successful the CDAC's actions were this year. The last couple of years involved difficult issues and allocations, but this year was better because the money and allocations matched up fairly well. He acknowledged some of the new members of the CDAC and how they had made great contributions to the committee. He said this was a great committee to serve on because it taught people a lot about what was important in the community. He urged Council to adopt all the recommendations that were brought before Council. The Federal Funds had meant a lot to Springfield and had a tremendous difference in downtown, especially in the last three years. He said this may be his last year on the committee, but felt it was in good hands. Staff did an exceptional job in showing the outcome of projects visually.

Mayor Leiken closed the public hearing.

Councilor Fitch said that although she served on Council and the board of one of the potential recipients, she received no funds from either and did not have an ethical problem making a decision on this issue. She said she could make a fair decision.

Councilor Lundberg thanked staff members Jodi Peterson and Kevin Ko who had taken the committee through painful decisions for funding. She said this year they made it very painless. She said the variety of projects ranging from domestic violence to a theater opening gave them a true sense of how this money helped the community. She thanked the staff and committee members for taking it seriously and working hard. She thanked Womenspace for offering to take a reduction to balance the funds.

Councilor Pishioneri thanked everyone involved. He asked about the funding given last year to McKenzie Mist for awnings and asked if that had been completed.

Mr. Ko said funds had been allocated for interior renovations and for a new face front on the outside. He said neither had been done. The funding for the exterior project had expired and the funds for the interior renovation were still being held. He said the owner of the business and the owner of the property had yet to come to terms.

Councilor Pishioneri said he would like to see a status report or the completion of the funded projects from the previous year.

Mr. Ko said he would be happy to put together that information and possibly a tour for Council to see the finished projects.

Mr. Leahy discussed McKenzie Mist further. He and staff worked very hard to work with the owner of the business and the owner of the building to put that together. Due to some issues between the owners, it could not be resolved. He noted that Mr. Ko went the final mile to try to make it work.

Councilor Lundberg said a significant amount of the funding went into assistance projects, such as homeowners that get a new roof or other emergency projects. A status report of those types of projects would also be beneficial. The CDAC did recommend continuing the downtown set-aside because there was still work to be done.

Mayor Leiken appreciated staff and asked Mr. Ko to keep Council informed regarding the decision on funding from Congress.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT THE FY2006/2007 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME FUNDING ALLOCATIONS. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE ONE-YEAR EXTENSION OF CDBG DOWNTOWN SET-ASIDE. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT PROPOSED CHANGES TO COMMUNITY DEVELOPMENT ADVISORY COMMITTEE (CDAC) BY-LAWS. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

### 3. Business License Program.

Finance Director Bob Duey presented the staff report on this item. The City Council held a first reading and public hearing of an ordinance for a Business License Program on February 21st. A second reading and public hearing was held on March 06, and the hearing has remained open for the March 20 and the April 17 Council meeting to allow for a continuing dialogue on this topic with the Springfield Chamber.

A result of the continued dialogue with the Springfield Chamber and as an alternative to the Business License Program, the City agreed to approach the Springfield Utility Board about their willingness to expand the current utility billing and collection contract the City has with their agency to include a dedicated fee for public safety. At their board meeting on April 12, the SUB Directors voted to not accept the proposal to serve as the billing and collection agency for a city fee dedicated for public safety. City staff does not have an alternative proposal that would allow for a city wide fee of this type without the involvement of the Springfield Utility Board for the billing and collection.

If the Council's direction is to continue the review of the Business License Program as a dedicated resource for the funding of the municipal jail operations, it is recommended that the

public hearing be held open one additional time and that staff returns at that time with a fully completed ordinance and implementation plan.

If the Council's direction is to discontinue discussions about the Business License Program or to decide to not take immediate action, it would be recommended that the public hearing be closed. A subsequent public hearing could be scheduled at the appropriate time.

Mr. Duey gave a brief history of how discussion on this license progressed through public hearings and agency meetings as outlined in the agenda item summary. He discussed the decision by the SUB Board regarding collecting a surcharge. Mr. Duey said the City Attorney's office had reviewed the ordinance, but it was not quite ready for consideration this evening. He discussed the different motions for Council consideration. Mr. Duey said he had talked with the Mayor about receiving additional guidance from Council, possibly with a Council subcommittee that could look at the jail operations funding. Mr. Duey reminded Council that the business license was only about twenty-five percent of the gap for funding jail operations.

Mayor Leiken continued the public hearing.

1. Mike Donnelly, 1315 Aspen, Springfield, OR. Mr. Donnelly is a principal at an elementary school in Springfield School District 19 and current Springfield Chamber of Commerce Board president. Mr. Donnelly acknowledged the Mayor and Council for their work regarding the decisions before them. He said this issue did connect Chamber operations and businesses with the jail funding. He said the Chamber realized this was a community issue and they supported the funding of the jail and jail operations. He said they understood the Council had a difficult task in balancing financial resources with the needs of the community at large. He said the Chamber distributed surveys to its members regarding a business tax. He said although the proposed fee would not have a large financial impact, it raised other issues regarding relationships and the role of different aspects of the community. The survey results were distributed to the Mayor and Council. The member input showed support and recognition of the jail and that the funding of the jail was a community issue, but there was a concern that the Business License was targeted at the business community and they asked Council to continue to explore other avenues, such as public safety levies. He said a public safety levy would be connected with the jail and would resonate with the entire community. He said their goal was to support this as a community in the broadest sense rather than focused on a certain element. He referred to comments from business owners in the survey. He thanked the Mayor and Council for their time and energy on this effort.
2. Fred Simmons, 312 South 52<sup>nd</sup> Place, Springfield, OR. Mr. Simmons said he supported the business license fee, and noted that it was only a component of the total. He said the City didn't even know how many businesses were located in Springfield and gathering that data and fee could have a profound affect on Development Services as well as the recognition of the role small and moderate businesses play in Springfield. He discussed the proposed fee and noted that it was a very small part of the total funding feature of the jail. Other revenue sources would still need to be found. He noted that Council would be reviewing other fees and charges on April 24. He said the jail fund needed to be set aside. If the Council agreed to build the jail, the fund needed to be established and money needed to be invested and collected for that fund. He said he supported going forward with the business license. He said he felt a large percentage of Chamber members would not oppose paying their fair share. He said as members of the

community they would contribute toward the funding. He hoped Council would move forward and define more clearly the numbers for funding the jail.

3. Gery VanderMeer, 2604 J Street, Springfield, OR. Mr. VanderMeer distributed a document regarding Failure to Appear Cost Study to the Mayor and Council. He discussed the amount of money the City was spending for 'failure to appears' in Circuit and Municipal Court. He said that program had been brought to the Council's attention a number of times. The funding for the jail had been development with the exception of purportedly \$225,000-\$250,000. He asked if a business license was needed. He asked why there had not been a single refutation of the ability of City funds that were currently spent to fund the jail. He discussed the handout he distributed. He said the report showed that it cost the City \$775 each time there was a failure to appear of a Springfield case. He said it cost the City \$400 each time there was a case in the Municipal Court where the defendant did not appear. He discussed the costs involved. He said those were dollars the City of Springfield was spending now and he questioned why the City staff couldn't identify any of those funds for the funding of the jail. He referred to the last page of the report and said if the City was able to reduce by one third the number of 'failure to appears', the City could save over \$340,000 a year. He said that money could be allocated to fund the jail and he said the City did not need an onerous business tax or to take the efforts of the Chamber of Commerce to promote Springfield as being friendly to business and drag that reputation in the mud. He said the money to fund the jail was already in the City's ability. He urged Council to vote no on the Business License and to demand staff come back with a real analysis of the savings from 'failure to appear'.
4. Fred Mannheim, 5680 Highbanks Road, Springfield, OR. Mr. Mannheim said he owned the Flying Clipper Barber Shop in downtown Springfield. He said he kept his fees low because he serves a lower-income clientele. He said he tried to keep his prices and expenses low and a Business License Fee was not something he could live with, so he would say no to it. If Council needed to do something in order to build the jail, it should be spread across the entire community, not just another fee businesses have to bear. If the City could spend \$100,000 to the UofO for the Olympic Trials, we could find other means to fund the jail.
5. Jim Welsh, 90050 Killian Lane, Elmira, OR. Mr. Welsh represented the Springfield Board of Realtors. He said the Board did not have a specific statement on this issue. He referred to the meeting last Wednesday, and that the Board would support the surcharge approach because it was broader and took in the rest of the community. He said the realtors do support doing something for the justice center that would involve the entire community. At this point in time, the Board did not want to go in opposition of the Chamber of Commerce and they wanted to continue to work with the Chamber. The Realtors have broker offices with multiple agents, so their offices would have between five to fifteen employees. He said the approach could be a single tax for that number of agents, which would be fine with the realtors, but they would like to take a look at other approaches that would be broader for the entire community and would work for the Chamber of Commerce.

Mayor Leiken asked for suggestions on a motion.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO APPROVE A MOTION FOR THE PUBLIC HEARING TO REMAIN**

**OPEN UNTIL MAY 15, 2006 AND DIRECT STAFF TO RETURN AT THAT TIME WITH A FULLY COMPLETED ORDINANCE AND IMPLEMENTATION PLAN. THE MOTION PASSED WITH A VOTE OF 5 FOR AND 1 AGAINST (Ballew).**

Councilor Ralston said a lot of good points were made by those that testified. He said at some point Council had to do what was best for the community. He saw no need to put it off any longer. He said it was a relatively small fee and was a small component of the funding issue. He asked why this was being put off.

Mayor Leiken said the ordinance was not yet final.

Councilor Woodrow noted the discussion with SUB regarding a surcharge that had not come to fruition causing some changes in the plan.

Councilor Ballew said she was not supportive of the Business License. She said this should be a broad base support. She said she did not support the jail and did not support picking one segment of the community to pay this. She noted the large gap for funding that was not yet in place for the operations of the jail. She said even with the business license, there was a \$600,000 gap. She said the jail shouldn't be built without funding for the operations. She discussed Mr. VanderMeer's comments regarding 'failure to appear' costs. She said those costs could be identified, but in fact if the 'failure to appear' problem were to recede, we would still need to pay the same amount of money, it would just be for some other purpose. It was not a true savings.

Councilor Lundberg said she was at first very supportive of the Business License fee. She wanted to know how a fee was put back on the utility bills, which was the same as the Utility Tax. She said her issue with putting a fee on the utility bill was that SUB would not discriminate between the electric portion of the bill and the other charges. She noted concern that if that extra fee caused someone to not be able to pay their bill, they could get their electricity shut off. She also noted that the support level for that type of fee was very low in the community survey. She thanked the SUB Board for voting down the surcharge. She discussed the Senior Forum meeting she attended Monday morning and their input on the Business License and piecemealing funding for the jail. She said the Council needed a deadline to find the funding or stop construction of the jail. She said she would only change her mind on the Business License if she heard a lot more support from the business community.

Mayor Leiken asked if Councilor Fitch and Councilor Lundberg would serve on a subcommittee to discuss jail funding options.

They both agreed and asked that the meetings be held at 7:00am starting next week.

4. Annexation of Territory to the City of Springfield (Horton Journal Number LRP2005-00039).

RESOLUTION NO. 06-17 – A RESOLUTION INITIATING ANNEXATION OF CERTAIN TERRITORY TO THE CITY OF SPRINGFIELD AND REQUESTING THAT THE LANE COUNTY LOCAL GOVERNMENT BOUNDARY COMMISSION APPROVE THE ANNEXATION BY EXPEDITED PROCESS.

City Planner Linda Pauly presented the staff report on this item. The applicant and owner have requested annexation of 2.3 acres of property located at 780 South 57<sup>th</sup> Street. The site currently



contains one residence. The purpose of the annexation is to allow the development of a Low Density Residential (LDR) subdivision.

The City Council is authorized by ORS 199.490(2)(a)(B) to initiate annexation upon receiving consent in writing from a majority of the electors registered in the territory to be annexed and the owners of more than half of the land to be annexed. The applicants own and reside on the property and are the only two registered voters. The tax lot contains a residence and an outbuilding. The applicant plans to extend South 56<sup>th</sup> Street from the north boundary of the property to the south boundary. The applicant is proposing to subdivide the property into 12 single family residential lots and to extend urban services to the site. The properties are within the UGB and are adjacent to the Springfield City Limits. The City can ensure a minimum range of key urban services including but not limited to police, fire protection, library, parks and recreation, storm sewers, sanitary sewer and schools. The residence is currently on well water and a septic system. The Springfield Utility Board (SUB) will serve the future subdivision, and the existing house will connect to city sewer upon annexation and development of the subdivision. The property owner has signed an Annexation Agreement with the City.

The City Council Resolution, if approved, will be forwarded to the Lane County Local Government Boundary Commission. The owners are requesting the Expedited Annexation procedure through the Boundary Commission in order to be able to proceed as quickly as possible with the subdivision process which must be completed so that they can build houses.

Councilor Ballew asked if this was contiguous to the City limits.

City Engineer Ken Vogeney addressed this question and said it was contiguous to the City limits on the north boundary.

Councilor Pishioneri asked if Lot 4 would be used for future development.

Mr. Vogeney said the lot referred to for annexation was Lot 4 and currently included an existing home and some outbuildings. At this point, the owner had not expressed an interest in dividing that parcel, but it could be divided in the future.

Councilor Pishioneri confirmed that Council was not approving dividing that property at this time.

Mr. Vogeney said that was correct. Tonight's request was to create approximately an 18,000 square foot lot.

Mayor Leiken opened the public hearing.

No one appeared to speak.

Mayor Leiken closed the public hearing.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO ADOPT RESOLUTION NO. 06-17. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

Mr. Vogeney clarified that because Lot 4 was part of this subdivision, if it was divided in the future, it would be done as a staff approved action as a partition and would not come back for Council consideration.

#### BUSINESS FROM THE AUDIENCE

#### COUNCIL RESPONSE

#### CORRESPONDENCE AND PETITIONS

1. Correspondence from Kathy Marxen, 650 Harlow Road #143, Springfield, OR Regarding the LTD Proposed EmX Route.
2. Correspondence from Steve Barrett, Deputy Superintendent, Springfield Public Schools District 19, 525 Mill Street, Springfield, OR Regarding LTD's Pioneer Parkway EmX Project and Student Safety in the Vicinity of Guy Lee Elementary School (755 Harlow Road).
3. Correspondence from Kari Westlund, President and CEO of Convention and Visitors Association of Lane County (CVALCO), 115 W. 8<sup>th</sup>, Ste 190, Eugene, OR Regarding the LTD Pioneer Parkway/Gateway BRT Extension.
4. Correspondence from Greg Erwin, Co-Chair, 2008 Olympic Track and Field Trials LOC, P.O. Box 11364, Eugene, OR Thanking Council for Their Support of the 2008 Olympic Track & Field Trials.
5. Correspondence to Steven Calish, Field Manager, Bureau of Land Management and CC'd to the Springfield Mayor and City Council from Larry Reed, JRH, 4765 Village Plaza Loop, Suite 201, Eugene, OR Regarding the West Eugene Parkway (WEP).
6. Correspondence from Buck Biggs, Best Cash, 1840 Main Street, Springfield, OR Regarding Electronic Reporting for Second Hand Dealers.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO ACCEPT THE CORRESPONDENCE FOR FILING. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

#### BIDS

#### ORDINANCES

#### BUSINESS FROM THE CITY COUNCIL

1. Business from Council.
  - a. Committee Reports
    1. Councilor Ralston reported on the LRAPA meeting. He said the subject of vehicle emissions came up again during their last meeting. He said he tried to rationalize that we had good air quality in our community, but the Board seemed to be heading in the direction of testing for these emissions. He said a decision would have to be made on this issue. He noted the decisiveness of the Board and the issue of having this testing only in the Eugene and Springfield area. He said it needed to be statewide or regional. The Board did not like the idea he brought forward of writing a letter to the State officials to increase enforcement.

Mayor Leiken noted that the Governor had recently signed one of the strictest air quality vehicle emissions law.

Councilor Ralston said it was pointed out by several board members that the air quality in our area was very good. He felt there was not a need to require this testing.

2. Councilor Pishioneri met with McKenzie Watershed Council last week in which they discussed Cedar Creek area and the mobility of the river. There was concern about the availability of water in the Thurston area this summer. He said the headgates were above the water. He said that could be a big concern for SUB even though it was a relatively low amount of SUB's total water supply. He discussed some of the options available to help with the possible shortage. He also noted that he was disappointed that SUB did not want to further discuss or consider the potential of financing the jail facility.

#### BUSINESS FROM THE CITY MANAGER

1. Review the Final Versions of Two Proposed Public-Private Partnership Agreements for the Annexation, Master Planning, and Development of 215 Acres in Southeast Springfield.

Development Services Director Bill Grile and City Attorney Joe Leahy presented the staff report on this item. Since Spring 2004, City and Willamalane staff have been negotiating with Gray-Jaqua family members and a private developer, Roy Carver, in an effort to secure pioneer property with a historically significant dwelling as well as substantial open space as part of a 215-acre planned development. The subject property is located south of State Highway 126 between 72nd and 79th Streets, directly in the path of future residential growth at Springfield's far eastern entrance. The historic dwelling is thought to be the oldest home in Springfield. The pioneer property extends from the state highway south to the ridgeline nearly a mile away.

The Council first considered questions about whether and how to pursue acquisition of the subject property on May 24, 2004 during a joint work session and executive session with the Willamalane Park and Recreation District Board. The Council received subsequent updates about pending negotiations on December 6, 2004; January 10, 2005; July 25, 2005 and January 17, 2006. Discussions at each centered on whether and how to proceed, with the City Manager receiving direction to continue negotiations with the interested developer and to return with additional detail. Negotiations have now been completed and two Agreements have been prepared that detail the rights, obligations and costs of each of the parties to the Agreements. There is also an additional Annexation Agreement with Elva Gray that essentially duplicates the Annexation Agreement with Heritage One LLC. These proposed agreements accompany an attached Council Briefing Memo that explains more about the public opportunity and summarizes the agreements' major points.

Mr. Grile discussed the agreement and noted the additional commitment Willamalane Parks and Recreation District was making regarding the lease of the house back to the developer for ten years with an investment allowing it to be maintained until it reverted back to the public. During that ten year period, the house would be available for public use and Willamalane would be funding that upkeep in the amount of \$120,000. He said the Willamalane Board met last Wednesday and had a positive discussion. The Board unanimously moved to support the two

agreements subject to review of their legal counsel and action by the Springfield City Council. They also authorized Superintendent Bob Keefer to execute the agreements.

Mr. Grile referred to a photo of the old house. He gave a brief history of how Mr. Gray purchased 320 acres between Springfield and Walterville and his wife had purchased 30 acres. After marrying, they built this home on that property. The home had remained in the family since that time. If Council agreed, this house would have a legacy for years to come. He felt this was a fine partnership.

Mayor Leiken acknowledged former City Manager Mike Kelly who had been integral in bringing this project to fruition and thanked him for his work on this project.

Councilor Ballew referred to the motion listed regarding further negotiations. She asked what could still be negotiated if they were to proceed.

Mr. Grile said he felt this had been negotiated fully.

Mr. Leahy said he concurred. The option was there in case Council found something they did not like in the agreements before them.

Mayor Leiken said his concern was the financial strength of the developer.

Mr. Leahy said in addition to the financial wherewithal of the developer, the City was not waiving any requirements for the posting of bond or security for public infrastructure, the kinds of things the City would normally require of any development. Those items were in place as well as other due diligence which would be conducted.

Councilor Ralston asked what would happen to the homestead property after the ten years.

Bob Keefer, Superintendent of Willamalane Parks and Recreation District, responded. He said during the ten year lease period, the homestead would be open for public use with Willamalane as an overseer. During that time, the developer would be spending at least \$60,000 on improvements to the Homestead House and the property around it so it would maintain the integrity of the property. When Willamalane took ownership, they would do an assessment of the building to determine what improvements needed to be made to maintain its integrity and how the building should be used in consultation with the City. At this point, the agreement stated it was a City/Willamalane ownership with Willamalane taking the lead. He said another intergovernmental agreement (IGA) would need to be executed between Willamalane and the City about who had final ownership and would manage the facility. Willamalane would make an investment into that facility with SDC credits. He explained further.

Mr. Leahy said this was a late entry into the process of the negotiations. As negotiations had continued, more things had occurred to the developer and the City. The developer had visited other similar developments that had a historical site at the front entrance that would bring people in and get them interested in the community. The developer would use the homestead as an integral part of his development.

Councilor Ralston said he would feel more comfortable if the City had an agreement that the City would get something back at the end of the ten years because of the increase in value of the property.

Mr. Keefer said the property would be maintained in public ownership unless both the City and Willamalane decided to sell it. The City and Willamalane staff had not discussed cost sharing as the facility was developed or in exchange to sell it.

Councilor Ralston said he was supportive of this project and it would open high end development. He asked how soon the City would have to spend this funding and how long it would be before the benefits were seen by the City.

Mr. Grile said the \$1M was programmed in the Capital Improvement Program (CIP) and budgeted out over four years. He said there was up to \$675,000 participation for the egress and ingress from the highway going to the property. He said if the agreements were executed, the developer would spend the next six to eight months doing due diligence on stormwater issue. The developer was confident he could resolve the stormwater issues, but if he could not resolve those issues, the project may end. He said optimistically, the developer would be submitting for master plan application sometime in November or December of 2006.

Councilor Ballew referred to Attachment 10, page 2, section 5. She asked about the leasing of the property.

Mr. Keefer said there was an agreement that during that time there would be an agreement between Heritage and Willamalane for public use of the facility and Willamalane would have control. During that time, the facility would be available for public use. He discussed some of the possible uses for the facility and surrounding property. He said the agreement would be in place prior to the lease. It would be tied to the lease.

Mr. Grile said the developer's concern was that he would like to polish that amenity to shine as a theme/residential draw to bring in people as he began his development.

Councilor Ballew asked if Willamalane would spend \$20,000 and the developer would spend \$60,000. That was correct.

Councilor Fitch said she had been to the property with Mr. Kelly and was very excited it had come to this point. She hoped Heritage One LLC proved to be financially substantial. Traveling around and seeing other communities that had developed their hillsides, she said it was exciting to see that Springfield had embraced the Rivers to Ridges and that there would be open space within our boundaries for generations to come. She said it was a beautiful area and the wildlife was amazing.

Councilor Pishioneri asked that the Historic Commission be included in discussions about the house and any possible designations on the house.

Mr. Keefer said he did meet with Kris Redmond from the Museum and a representative from the Historic Commission and they were excited with this project. They did discuss how they could be involved in deciding the future of the house. He discussed some reasons to wait to decide if the house should be put on the registry.

Mayor Leiken thanked staff for their work and Mr. Kelly for his leadership. He said this was a very special project and considered a signature project for the Council. He said this was a valuable historic landmark and a great opportunity.

Councilor Woodrow also thanked staff, Willamalane and Mr. Kelly.

**IT WAS MOVED BY COUNCILOR WOODROW WITH A SECOND BY COUNCILOR LUNDBERG TO DIRECT THE INTERIM CITY MANAGER OR ACTING IN CHARGE CITY MANAGER TO EXECUTE THE PROPOSED AGREEMENTS AS PRESENTED SUBJECT TO (i) THE CITY ATTORNEY ADVISING THAT ALL EXHIBITS NEEDED TO IMPLEMENT THE PREDEVELOPMENT AGREEMENT CONFORM TO THAT AGREEMENT, AND (ii) THE CITY FINANCE DIRECTOR REVIEW OF HERITAGE ONE LLC/ROY CARVER TO ASSURE FINANCIAL SUBSTANCE EXISTS TO COMPLETE THE PROPOSED PROJECT. THE MOTION PASSED WITH A VOTE OF 6 FOR AND 0 AGAINST.**

BUSINESS FROM THE CITY ATTORNEY

ADJOURNMENT

The meeting was adjourned at 9:20 p.m.

Minutes Recorder Amy Sowa

\_\_\_\_\_  
Sidney W. Leiken  
Mayor

Attest:

\_\_\_\_\_  
City Recorder